

HB 451 -- COUNTY BUDGETS

SPONSOR: Fraker

COMMITTEE ACTION: Voted "Do Pass by Consent" by the Committee on Downsizing State Government by a vote of 9 to 0.

This bill authorizes a county to amend its budget twice during any fiscal year when there is a verifiable decline in funds of at least 2% that could not have been estimated or anticipated when the budget was adopted. Currently, a county is only authorized to amend its annual budget when it receives additional funds that could not be estimated.

Any decrease in appropriations cannot unduly affect any one officeholder and cannot impact any dedicated fund authorized by law. The county must provide 30 days' notice of a public hearing regarding any amendment to the county budget, including a published summary of the proposed reductions and an explanation of the shortfall.

Before any reduction affecting an elected officeholder can occur, negotiations must take place with all officeholders who receive funds from the affected category of funds in an attempt to cover the shortfall.

County commissioners can reduce budgets of departments under their direct supervision and responsibility at any time without these restrictions.

These provisions cannot restrict a charter county from amending its budget pursuant to the terms of its charter.

The provisions regarding decreasing a county budget will expire July 1, 2016.

PROPONENTS: Supporters say that counties cannot currently reduce or change their county budgets throughout the year. They can increase it, but they cannot decrease it. This bill allows the counties to adjust the budget twice throughout a year and reduces the budget if income is not coming in as anticipated. This will give them the authority to adjust the budgets along the way. They are not required to do it, but if they have to adjust the budgets, they would have the ability to do so.

Testifying for the bill were Representative Fraker; Missouri County Collectors Association; Mark Rhoads, Buchanan County.

OPPONENTS: There was no opposition voiced to the committee.